

STATE OF TENNESSEE

DEPARTMENT OF ENVIRONMENT AND CONSERVATION State Revolving Fund Loan Program

L & C Tower, 8th Floor 401 Church Street Nashville, TN 37243

CATEGORICAL EXCLUSION DETERMINATION

For the Proposed Project of Hallsdale-Powell Utility District (Union and Knox Counties), Tennessee

Loan No. DGA 2009-086

June 10, 2009

The Tennessee Department of Environment and Conservation's (Department) State Revolving Fund Loan Program has conducted a review of the above-referenced project in accordance with the Operating Agreement between the Department and the U.S. Environmental Protection Agency (EPA) for implementing the Drinking Water State Revolving Fund (DWSRF) Loan Program. The Department has determined that this project is eligible for a Categorical Exclusion (CE). Accordingly, the Department is exempting the project from further substantive environmental review requirements under the Department's EPA-approved National Environmental Policy Act-like environmental review process.

The project consists of the 2008 Meter Connection Changeovers (changing meter connections from existing 2-inch diameter galvanized water distribution lines to recently installed 6-inch or 8-inch diameter ductile iron pipe lines to provide drinking water to customers on Hill Road, Fort Sumter Road Salem Church Road, Foust Hollow Road, and Oak Road), the 2009 Meter Connection Changeovers (changing meter connections from existing 2-inch diameter galvanized water distribution lines to recently installed 6-inch or 8-inch diameter ductile iron pipe lines to provide drinking water to customers on East Beaver Creek Road, Bells Campground Road, Bell Road, Clinton Highway, Dante Road, Della Road, Doris Circle, Fraker Road, Greenwell Road, Heiskell Road, Irwin Road, Kern Road, Long Hollow Road, Majors Road, Merideth Road, Neal Road, Old Clinton Highway, Pedigo Road, Pelleaux Road, Raccoon Valley Road, Sharp Road, Tell Mynatt Road, Walker Road, Wood Road, Bishop Road, and McCloud Road), and replacing approximately 5,000 existing meters with new automatic radio meters within the Hallsdale-Powell Utility District. The total estimated project cost is \$2,825,000. American Recovery and Reinvestment Act of 2009 funds and a DWSRF loan in the amount of \$2,825,000 have been requested for this project. Two maps indicating the project areas for the 2008 Meter Connection Changeovers and the 2009 Meter Connection Changeovers accompany this CE.

The project is eligible for a CE because undertaking this action:

- 1. Does not involve serious local or environmental issues;
- 2. Will not have a significant effect on the quality of the human environment either individually, cumulatively, over time, or in conjunction with other Federal, State, local, tribal or private action(s);
- 3. Will not directly or indirectly affect cultural resources, endangered or threatened species and their habitats, or environmentally important natural resource areas, and
- 4. Is cost-effective and should cause no significant public controversy.

The CE determination shall become effective upon its distribution by the Department and can be revoked at any time adverse information is made available. The documentation to support this CE eligibility determination will be on file with the Department and available for public review upon request. If you wish to comment or to challenge this CE determination, send your written comment(s) to:

Mr. Sam R. Gaddipati, Environmental Manager State Revolving Fund Loan Program L & C Tower, 8th Floor 401 Church Street Nashville, TN 37243